GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:1725
ANSWERED ON:12.03.2007
AGRICULTURE EXPORT ZONES
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Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government has decided to put an embargo on creation of Agriculture Export Zones (AEZs);

(b) if so, the factors attributed thereto;

(c) the number of proposals pending with the Government for setting up the AEZs and since when;

(d) the time by which they are likely to be cleared;

(e) the date on which the policy for AEZs was framed;

(f) the aims and objectives of AEZs and Special Economic Zones separately;

(g) whether the scheme has been successful in achieving its objective; and

(h) if not, the reasons therefore and the steps proposed to be taken to make it successful?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a) to (d): As intimated by the Department of Commerce, there is no proposal for setting up of Agri Export Zones (AEZs) pending with the Government. 35 proposals for setting up of AEZs including 3 from Andhra Pradesh were received. Based on an action plan devised on the basis of findings of a peer evaluation of the existing AEZs it was decided that there shall be self imposed embargo on creation of new AEZs unless there are strong and compelling reasons for the same. The State Governments have been asked to reconsider the proposals in the light of the decision

(e): The AEZs policy was introduced in EXIM policy for the year 2001-02.

(f): As intimated by the Department of Commerce, the AEZs aim to take a look at an agriculture produce in a comprehensive manner so as to be able to deliver an appropriately priced and attractively packaged quality product in the international market. The objective of the Special Economic Zones is to generate additional economic activity, promote export of goods and services, and promote investment from domestic and foreign sources, creation of employment opportunities and development of infrastructure facilities.

(g) & (h): The projected and actual investments and estimated and actual exports of the AEZs are given below as intimated by the Department of Commerce:

(Rupees in Crore)

	Projected/Estimated	Actual
Investment	1717.95	859.46
Exports	11821.47	5353.85

An Action plan based on the findings of the peer evaluation drawn up in consultation with the State Governments includes constitution of the State Level Coordination Committee and Monitoring Committee and nomination of nodal agencies for the AEZ. It has also been decided to engage M/s Yes Bank as advisor for fast tracking development of AEZs and support export infrastructure projects in the AEZs with funds from the Scheme of Department of Commerce for Assistance to States for Infrastructure Development.